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C O N F I D E N T I A L JERUSALEM 002019

SIPDIS

NEA FOR FRONT OFFICE; NEA/IPA FOR GOLDBERGER/SACHAR; NSC
FOR PASCUAL; TREASURY FOR AHERN

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TAGS: [ECON](#) [ETRD](#) [EAID](#) [ENRG](#) [KWBG](#) [KPAL](#) [PHUM](#)

SUBJECT: GAZA: POWER SUPPLY THREATENED AS CROSSINGS REMAIN
CLOSED

Classified By: Consul General Jake Walles, Reasons 1.4 (b) and (d)

¶1. (C) Summary: The Gaza crossings with Israel have been closed since November 4, following a resumption of violence between the IDF and Hamas, resulting in a sharp drop in fuel supplies. The Gaza power plant will likely shut down at 1830 hours on November 10 due to a lack of fuel, according to plant management. 3,000 students and medical patients reportedly traveled to and from Gaza via Rafah crossing on November 5-7. Currency shortages continue to hamper payment of PA salaries. End summary.

Crossings with Israel remain closed;
3,000 travelers pass through Rafah

¶2. (U) Kerem Shalom crossing, Sufa crossing, and Nahal Oz fuel transfer station have been closed since November 5. Erez crossing has been open to 10-20 medical patients/day since November 5, but remained closed to most NGO and diplomatic traffic. According to press reports, a group of European diplomats were denied entry through Erez on November 15.

¶3. (C) The Rafah crossing on the Gaza-Egypt border was open to two-way pedestrian traffic (students and medical cases only) November 5-7. Contacts in Gaza said that an estimated 3,000 travelers passed through the crossing those three days. The Hamas "interior ministry" had registered all travelers with Egyptian authorities prior to their passage, according to our WHO contacts in Gaza.

Gaza power plant runs dry -
shut-down scheduled for November 10

¶4. (C) Gaza power plant manager Rafiq Maliha told Econoff on November 10 that the plant will likely be forced to shut down at 1830 local time that day due to a lack of industrial fuel. Since the June 19 "tahdiya" between the GOI and the Hamas government in Gaza, an average of 2.5 million liters/week of industrial fuel has been delivered to the plant via Nahal Oz, enabling the plant to produce 60-65 MW of electricity, according to Maliha. He underscored that a complete shut-down would damage the plant's turbine parts, and subsequently re-starting the generators would require a large amount of fuel. (Note: The plant had provided 60-65 MW over the last few months, while Gaza imported additional electricity via Israel (115 MW) and Egypt (17 MW). End note.)

¶5. (C) UNRWA contacts told Poloff that fuel shipments via Nahal Oz on November 3-9 met just a fraction of the fuel

demand -- 13 percent of diesel, 18 percent of gasoline, and 54 percent of cooking gas needed. The GOI has not signaled when Nahal Oz will reopen, according to the Director of the PA Fuel Agency on November 10.

PA salaries paid, yet NIS currency shortage continues

16. (C) Gaza banks remain cash-strapped. Ministry of Finance contacts confirmed that PA salaries and arrears were paid in full on November 6, yet, because of a shortage of NIS, PA employees in Gaza cannot withdrawal amounts equal to their full salaries. Our Palestinian banking contacts are hoping that the GOI will allow a currency shipment to Gaza soon. Until more currency arrives, PA employees will have access only to a portion of their deposited salaries.

WALLES